

CHAPTER 7

VALIDATION OF MATERIEL OBLIGATIONS

SECTION I - SUPPORT OF UNITED STATES FORCES

A. GENERAL

1. This chapter prescribes policies and procedures **for the** validation by users of the continuing need for overage requisitioned requirements and for the reconciliation of supply source materiel / obligation records with the due-in records of requisitioning activities. The purpose, therefore, is twofold: (1) validation of need and (2) reconciliation of records. For ease of reference, these two functions will hereinafter be called MOV.

2. A materiel obligation is herein defined as that unfilled portion of a requisition (for a stocked or **nonstocked** item) that is not immediately available for issue but is recorded as a commitment for future issue, either by direct delivery from vendor or backordered from stock. This includes both NSN and **non-NSN** items. Accordingly, MOV will pertain to those requisitioned items assigned Status Codes BB, BC, BD, BV, and BZ. *

3. An **MOV** request is generated from a supply source to a **requisitioner**/ control office for a comparison and validation of the **continued** requirement of outstanding requisitions held as **materiel** obligations by the supply source with those carried as due-in by the requisitioner.

4. An MOV response is a reply by a requisitioner to an **MOV** request advising the supplier, :

- a. to **hold** a materiel obligation until supplied, or
- b. to cancel **all** or a portion of a materiel obligation.

5. A supply source is herein defined, as any S/A activity which maintains materiel **obligati** on records, and includes, but is not limited to, those activities 'commonly referred to as **IMMs, ICPs,** requisition processing points, stock points, and SC AS. *

B. EXCLUSIONS FROM SECTION I

1. **FMS** transactions are excluded from these procedures; however, the Services should reconcile FMS materiel obligation records at the supply source **with** those of, the activities required to maintain FMS case control. **MOV** procedures for **Grant** Aid transactions **are** contained in Section **11** of this chapter.

- * 2* **Civil** Agencies are excluded unless covered by inter-S/A agreements.

C. RESERVED

D. MATERIEL OBLIGATION AGE CRITERIA

1. Materiel obligations are considered **coverage** and subject to this procedure when:

a. **UMMIPS PD 01-08** requisitions have aged to 30 days past the **requisition** date.

b. **UMMIPS PD 09-15** requisitions have aged to 75 days past the requisition date.

2. Special validations may be ordered without regard to the age of the materiel obligations involved.

3. The provisions **of** this procedure also **apply to** long **production leadtime items** since requirements for **such** items may also change as a result **of** unit/force movements, deactivation, **and** other **population** changes. **However**, only item **managers** may elect to **establish longer intervals** for validation of long production **leadtime** items.

E. SCHEDULE FOR CYCLIC VALIDATION OF MATERIEL OBLIGATIONS

1. The annual schedule of **cyclic** validations in support of U.S. forces **is** shown **in figure** 7-1.

2. The response time, as prescribed, **is** applicable to those activities having direct access to AU TODIN. Deployed **fleet** units (or **other deployed units**) which **are** unable to **acknowledge receipt**, or to **respond by** the prescribed date, may request temporary suspension of **cancellation** action. **This suspension** will **be** effective **until such** time as the **appropriate** fleet type commander (or other responsible **commander**) **furnishes** an **estimated** date as to **when** the activity will be able to **acknowledge** receipt or give the **required MOV** response.

3. A **consolidated report**, in the **Format** shown in **appendix A22**, will be submitted **quarterly** by S/A "headquarters to" the DASD(L)SD. This **report** will be submitted **within 30** days after **close of** each **validation cycle**. The reports **are assigned** Report Control Symbol
* DD- P&L(Q) 106: 4.

4. I, Ms. may initiate **special validation** requests. For **example**, the **IM** may need to validate requirements for **high dollar value**, critical **items**, or for those **NSNs** which have the **largest** number of **materiel obligations** on record, or **account for** certain percentages of the **total materiel obligations**, etc. These **special validations** should be **selective** in approach and may be made **regardless of** whether the **materiel obligations** were previously **validated**. Critical

w items are determined by IMMs and are defined as those essential items which are in short supply or expected to be in short supply for an extended period.

F. DETERMINATION OF RECIPIENT OF VALIDATION REQUESTS. MOV requests will be transmitted to the activities determined under the following rules.

1. Transmit the activity designated by, the **M&S** unless covered by the exceptions listed below.

2. When the **M&S** is **0**, transmit to the activity designated by an alphabetic character in rp 54.

3. When rp 54 contains a numeric (or is blank), and **M&S** is **0**, **transmit** requests to the requisitioner (rp 30-35).

4. When the **M&S** is F, G, P, or Z, transmit requests to the **requisitioner** (rp 30-35).

G. PREPARATION OF SPECIAL VALIDATION REQUESTS

1. Requests for a special MOV will always be accomplished via message. The response to the special request will also be accomplished via message. The requirement for use of messages recognizes the fact that these special validations **will** normally consist of a limited number of transactions for single requisitioning activities.

2. The message request will consist of the document number of the demand which is held as a materiel obligation, the applicable stock or part number, the unfilled quantity, identification of the ship-to address, the current PD, and a reply due date. The reply due date will always be established as 15 days from the date of the message dispatch. The format of the message request is provided in appendix A16.

3. Due to the urgency of demands for critical items, **IMMs** may determine that supply of current demands should be accomplished from stocks due-in, against which there are materiel obligations of lesser or equal priorities. In these instances, the **IMMs** would initiate the special MOV procedures.

H. PREPARATION OF CYCLIC VALIDATION REQUESTS

1. Scheduled MOV requests (**DI** AN1, AN2, or AN3) will be prepared in the format prescribed in appendix C23.

2. Supply sources will transmit **DI** AN_ documents to the DAAS in data pattern (machine-readable format) messages. The DAAS will transmit the requests to the designated recipient, perpetuating the supply source batch control.

3. Scheduled **MOV** requests will be transmitted not later than five days after the cutoff date under the cover of a MOV control document in the format contained in appendix **C24**. The response due dates, as established in the schedule, figure **7-1**, are entered in **rp** 46-49 of the control documents and **rp** 75-77 of the request documents. The MOV control document includes a provision whereby the recipient **will** acknowledge receipt of such request documents. The **MOV** control document will be produced for **DI AN** forwarded by either AUTODIN or mail. It will **be** used by supply **sources** for control and for recording receipt acknowledgments whether **received** by AU TO DIN or mail. Receipt confirmation document for MOV **will** be prepared in the format shown in appendix **C25**.

4. The DAAS **will** transmit **DI AN** documents via AU TO DIN in data pattern (machine-readable format) **messages** unless the recipient does not have AU TO DIN capability. In the absence of AU TODIN capability, **DI AN** documents will **be** mailed to the recipient by **DAAS**.

5. When preparing **MOV** batches for transmission via AU TO DIN, no more than 494 **DI AN** documents will be included in a **single** AU TO DIN message. Each **batch** will have its own **MOV** control document (**DI AN9/ANZ**). **If** a single batch exceeds 493 detail request documents (**Dis AN1, AN2, and AN3**), additional AU TO DIN messages are required, with a separate control document for each partial batch in a different AU TO DIN message. For example, if 950 detail request documents are to be sent to the same recipient, the "first AU TO DIN message will include only 493 detail request documents (**Dis AN1, AN2, and AN3**) and a control document; the second AU TO DIN message will include the remaining 457 detail request documents and another control document. (This limitation **allows** for a message header and trailer, and sufficient capacity for DAAS **to** conform with the JANAP 128 (reference (g)) maximum limit of 500 documents in a single data pattern message when rejecting an erroneous **MOV** message to the transmitting activity.)

6. When transmitting via mail, there is no maximum limit as to the number of **AN** documents forwarded in a single mailing container (e.g., envelope, box, package). However, a separate **MOV** control document (**DI AN9**), interpreted and containing the preprinted **in-the-clear** address of the supply source on the reverse side will be prepared and forwarded as the first document with each separate group/quantity of **AN** documents sent to the same activity for validation. When two or **more** mailing containers are sent to the **same** activity, distinct batch control **numbers** (**rp** 7-10) will be entered in the **AN9** documents.

7. Supply sources will **establish** records by batch control number (**rp** 7-10) for each validation **cycle**. This will permit **followup**, as necessary, when **customer** receipt of a particular batch number is not acknowledged.

I. ACKNOWLEDGMENT OF RECEIPT OF CYCLIC VALIDATION REQUESTS

1. Requisitioning activities in receipt of scheduled validation request documents intended for other recipients will forward the documents by the most expeditious means to the intended recipients when known; otherwise, the documents will be returned immediately to the submitting supply source.

2. The recipient of scheduled requests **by mail** will acknowledge receipt of the request documents by annotating **DI AP9** and the receipt date in the prescribed block of the MOV control document(s) and returning the control document(s) to the activity from which it was received. The in-the-clear address of the supply source will be preprinted on the control document. Such acknowledgment will be accomplished immediately upon receipt of the request documents. When MOV request documents are received via AUTODIN, they should be checked with the control document for a complete count. **If** the count is correct, acknowledge receipt of the batch by returning the control document(s) utilizing **DI AP9** and including the date in rp 41-44 that the batch was received. This acknowledgment will be returned by AUTODIN, whenever possible, regardless of receipt by mail or AUTODIN. Acknowledge receipt (DI AP9) as each batch of AN documents is received. Acknowledgment (**DI AP9**) will not be **delayed** until all batches (if two or **more**) are received. Prompt acknowledgment of each batch, as received, will preclude unnecessary supply source **followup** (DI ANZ) and transmission of duplicate **DI AN_** documents.

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3. Receiving activities which do not receive the total number of documents indicated in the MOV control document will take one of the following actions:

a. If AUTODIN is utilized, the **DI** of the MOV control document will be changed to APX and returned to DAAS or the supply source.

b. **If** mail is utilized, the **DI of** the control document will be crossed out, **DI APX** annotated and returned to the supply source. The phrase, "All MOV requests not received; resubmit" may be added to the document if desired. All APX documents **will** be construed as, or serve notice that, the supply source should retransmit that specific batch.

4. Responses to validation requests need not be batched.

J. FOLLOWUP ON UNACKNOWLEDGED CYCLIC VALIDATION REQUESTS

1. Supply sources **will** initiate **followup action** on scheduled validation when no acknowledgment of the request documents is received. The **followup** will **be in** the **MOV** control document format (appendix C24) utilizing **DI ANZ**. The followup will be accompanied by duplicates of the **original** detail request documents and

will be transmitted 30 days from **the cutoff** date of the validation requests. **If** no acknowledgment of the **followup** is received and **no** response **is** received **by** the response **due date**, **the** affected materiel obligations (except for fleet units) **will** be canceled.

2. When acknowledgment of receipt of requests is **not** received from **fleet** units (ships and squadrons as indicated by **the in-the-clear** activity address), a duplicate of the **followup MOV** control document(s) (**DI** ANZ) will also be **furnished to** the appropriate fleet type commander, the activity indicated by the entry in rp 54. The **fleet** type commander **will advise supply** sources by message within 10 days of fleet units **which** are unable to acknowledge receipt or to respond by the due date. Supply sources will temporarily suspend any cancellation actions **until** such time as the appropriate fleet type commander of the fleet unit furnishes an estimated date as to when the fleet units are able **to** acknowledge receipt or respond.

K. PERFORMANCE OF THE VALIDATION AND RECONCILIATION

1. It is mandatory **that** the recipient of validation requests (**either** scheduled or 'special ') conduct an item-by-item review with the user to determine continued need for each item, the quantity involved, and the PD of the requirement. A perfunctory review, or a routine response that all materiel obligations are still required, is a waste of time and effort on the part **of** all activities. Such cursory reviews do not improve supply support. Items which are identified in the requests but are not contained on the records **of** the recipient of the request will also be furnished to the **user** for validation. Items which are contained on the records of recipients of the validation requests and which meet the overage criteria but are not covered by a request will, likewise, **be** validated with the **user**.

2* **The** recipient of validation requests will match the items recorded **as** materiel obligations at the supply **source** with the records of **unfil** led demands to determine and take **action** to bring the two records into agreement.

3. Requisitioning activities may request status of any items which are outstanding to the **requisitioner**, **having met the** age criteria, and not included **with** "the scheduled validation requests. When **such** status is desired, the requisitioning activity will furnish the supply source with the normal **followup** document in the **D. I** AF_ or AT, . series.

L. RESPONSES TO MATERIEL OBLIGATION VALIDATION REQUESTS

1. Responses to special validation requests will **be** accomplished by message **in the** format **shown** in appendix A17. The message responses will contain the document number of the demand **as** contained in the **validation request message**, the stock or part number, the

valid PD, and the quantity required for continuation as a materiel obligation. The message response will also contain any quantities of materiel received by requisitioning activities prior to preparation of the response. The responses will serve to advise whether materiel obligations should be canceled or requirements still exist (and the item should be continued as a materiel obligation). The message responses to the special validation requests will be accomplished in time to meet the "request reply by" date as **contained** in the validation request message.

2. Upon completion of an **MOV**, as required by receipt of scheduled validation request documents, a **DI AP** response (format shown in appendix C26) for each **DI AN** request **document** (or requisition on the listing) will be furnished **to** the supply source which submitted the requests. Responses will be submitted to the supply source by the reply due date shown in the request documents. The requisitioner will indicate the action to be taken on each scheduled **MOV** request as follows:

a. The quantity field of the **DI AP** response document **will** indicate the quantity still required. **If total** cancellation is desired, the quantity field **will** be zero filled.

b. **Whenever** a requirement is to be retained as a materiel obligation and the PD or **RDD/RDP** changes due to reassessment of requirements, a requisition **modifier (D I AM)** will be prepared to reflect the revised **PD/RDD/RDP**. The **requisition** modifier document in this instance will be prepared by originating activities completing **all** prescribed data. element **entries** for requisitions and reflecting the upgraded or downgraded **PD/RDD/RDP**. *

3. Transmittal of **DI AP** responses will be as follows:

a. **DI AP** responses will be transmitted via AU TO DIN whenever the validating activity has **access to an AU TO DIN terminal with data pattern (machine-readable) transmitting capability**.

b. An **MOV** control document is not required with **DI AP** responses returned by mail or AU TODIN. **DI AP** responses will be transmitted as individual documents or small **batches** and as early as practical after validation. **Accumulation** of **AP** documents **for** large or one-time transmission is not required and is to **be** discouraged. Prompt transmission **of** **AP** documents will preclude shipment/release of items no longer **needed**.

c. Validating activities without the capability to produce machine-readable may respond to scheduled validation requests by returning all requests under a letter of transmittal to the supply **source**. In these instances, the letters of transmittal will indicate those items required to be continued as materiel obligations and the validated PD, or those items required to be canceled or the **AP**

documents will be annotated and returned in two batches; one containing those items to be 'continued and the other those items for cancellation.

d. Fleet units mailing responses to CONUS supply sources will report such **mailing** by message to the supply source **if** documents are mailed less than 20 days before the reply due date contained *in* the scheduled validation request.

M. SUPPLY SOURCE CANCELLATION OF MATERIEL OBLIGATIONS

1. Supply sources in accomplishing cancellations resulting from MOV procedures will initiate efforts to stop procurement, storage, and transportation actions under chapter 3.

2. Supply sources **will** cancel materiel obligations:

a. **When** no reply to a special validation message request has been **received** by the reply due date.

b. When requisitioner has not acknowledged receipt of the scheduled validation request documents (or the fleet unit/type **commander** has not requested temporary suspension of cancellation actions pending final response) and no **DI** AP_ responses are received by the response due date.

c. When receipt of validation requests has been acknowledged but no **DI** AP_ response has been received relative to specific items submitted for validation. **In** these instances, receipt of a **followup** document during the validation cycle will not preclude cancellation action.

d. Upon receipt of cancellation requests from requisitioning activities. When there is no record of the item as a materiel obligation, the validation response will be matched with the **RHF** to determine the current status of the item. **If** the **item** is in an **in-process** state, effective action must be taken to stop the **flow** of unneeded materiel. **All** supply sources will strive to attain the DoD objective of taking **all** feasible action to preclude shipment from the depot, the POE", 'or **the** vendor (in the instance **of** purchase actions). **Based on action taken**, the **requisitioning** activity will be provided with appropriate **supply** or shipment status.

3. The supply source will furnish, **to** the activities for which validation requests were submitted, a **supply** status **document** containing Status Code BR or BS, as appropriate, for each item canceled as a result of the validation actions.

4. Supply **sources** in receipt of scheduled validation response documents, intended for other supply sources, will immediately forward the documents via air mail to the activity **designated** by the RI.

5. Supply sources may contact requisitioning activities to determine desired actions applicable to erroneous response documents, if time permits. Should time not permit the supply source to contact the requisitioning activities, the items concerned with the erroneous documents will be retained as a materiel obligation, until clarification is obtained.

6. The S/A of the activity initiating a cancellation request or failing to respond to **DI AN** validation requests will be charged with (1) transportation costs **for** returning the materiel to depot storage **and** (2) procurement and termination costs when it is determined that termination is in the best interest of the Government. Specific instructions concerning materiel transportation charges and credit allowances are contained in the DoD Manual 7220.9-M (reference (z)), DoD Directive 7420.1 (reference **(aa)**), DoD Instruction 7420.12 (reference **(bb)**), and **MILSTAMP** (reference (p)).

SECTION II - MILITARY ASSISTANCE PROGRAM GRANT AID

N. GENERAL. This part prescribes policies and procedures for the validation of **ICP** materiel obligation records with the records of Service **ILCO** maintaining SAO program control and for the validation of the continuing need at the Grant Aid country **level** for overage demands. The purpose is twofold: (1) the reconciliation of records and (2) the validation of need.

O. SCHEDULE FOR CYCLIC VALIDATION OF MATERIEL OBLIGATIONS. The annual schedule of cyclic validation in support of MAP Grant Aid materiel obligations is shown in figure 7-2.

P. MILITARY ASSISTANCE PROGRAM MATERIEL OBLIGATION VALIDATION REQUEST ACTION

1. Supply sources will provide the **ILCO** with validation request documents applicable to aged materiel obligations for Grant Aid requirements. The validation request documents will be provided to the **ILCO** by the supply sources using schedules for validating aged Grant Aid materiel obligations established by the **ASD(P&L)**.

2* Materiel obligations are defined as that portion of the quantity requisitioned which is not immediately available for issue to the requisitioners and/or is recorded as a commitment for future issue of stocked items. This includes commitments for direct delivery from vendors. The validation request documents will be produced from the supply source records of materiel obligations for which the requisition document number dates are aged to **180** days or more at the time of the established validation cutoff. Materiel obligations selected for validation, having met the aforementioned age criterion, will be those which are assigned Supply Status Codes **BB**, **BC**, **BD**, and **BV**. The quantities shown on the validation request

documents **will** reflect the unfilled quantities only of the indicated items **which** are maintained as materiel obligations at the supply sources. The validation request documents **will** be prepared under the format contained in appendix C23.

3. Service implementation of these procedures **will** specify whether the listings of validation request documents will or will not be refurnished to the **ILCO** of that Service with the documents. Each Service **desiring** that **its ILCO** receive **listings** with the validation request documents will so advise the supplying S/A headquarters.

4. The machine listings, when required, will be prepared in sequence by service (rp 30), country (rp 31-32), and document number, major to **minor**, and reflect subtotal document count by country (rp 31-32) and grand total for the listing. The validation requests, with listings when desired, will be airmailed **to** the **ILCO** designated in rp 54 of the original requisition. However, supply sources may elect to forward the request documents and lists by routine mail, in lieu of airmail, in instances where the **ILCO** is geographically close to the **supply** source. Scheduled MOV validation request documents will be transmitted not later than 10 days after the established cutoff date. Transmission will be by AUTODIN, when feasible, under the procedure specified in Section I, paragraph H., of this chapter.

5. The supply source will **follow** up on the appropriate **ILCO** when no acknowledgment of the validation request is received. The follow-up, in the format shown in appendix A19 and including a reproduction of the original request document, will be **mailed** 30 days from the cutoff date of the validation request.

Q. ACCOMPLISHING ACKNOWLEDGMENT OF A VALIDATION REQUEST BY THE INTERNATIONAL LOGISTICS CONTROL OFFICE

1. An **ILCO** in receipt of validation request documents intended for another **ILCO** **will** forward the documents by airmail to the intended **ILCO** when known; otherwise, the documents **will** be returned immediately to the submitting supply source.

2. The **ILCO** will acknowledge receipt of the MOV request documents by entering the receipt date in the prescribed block of the transmittal letter with appropriate signature of the recipient and returning the letter to the activity from which it was received. Such acknowledgment will be accomplished immediately upon receipt of the validation request documents.

3. An **ILCO** not receiving listings and which does not receive the total number of documents indicated as having been transmitted by letters of transmittal, should include the document numbers of the documents actually received with their acknowledgments of validation requests. **In** these instances, the supply source will be required to determine, the documents not received and transmit them **to the ILCO** under a letter of transmittal.

4. An ILCO receiving listings with the validation request documents and not in receipt of all documents indicated on the listings will prepare a request document for each document entry on the listings for which a request document was not received.

R. ACCOMPLISHING MATERIEL OBLIGATION VALIDATION BY THE ARMY AND AIR FORCE INTERNATIONAL LOGISTICS CONTROL OFFICES

1. The ILCO receiving the validation requests will match the items indicated as being on record at the supply source with its records of unfilled demands and provide the SAOS with validation request documents which represent quantities/items:

a. In the validation requests received from the supply source. (The ILCO will not attempt to adjust quantity differences between the ILCO record and the supply source record.)

b. On the ILCO record, having reached the validation age criterion and not included "with request documents furnished by the supply source. (Service implementation of these procedures will contain the provisions whether the SAOS will be provided with validation request documents and/or listings.) The ILCO records will be adjusted based upon the responses received from the SAOS.

2. Services may elect to have their ILCO enter the program originator code in rp 7 of DI AN request documents transmitted to SAOS for validation. Entry of this code will enable the SAO to determine the specific section to which the requests are to be directed. In these instances the following codes are applicable:

<u>CODE</u>	<u>PROGRAM ORIGINATOR</u>
B	SAO (Army)
P	SAO (Navy)
D	SAO (Air Force)
K	SAO (Marine Corps)

(These codes will not be perpetuated in DI AP response documents transmitted to the supply source.)

3. The validation request documents and/or listings will be airmailed to the appropriate SAO not later than 45 days after the scheduled cutoff date. The time between the cutoff date and the 45 days, for mailing the request documents to the SAOS, is that time allowed for:

a. Transmission of the request documents from the supply source to the ILCO.

b. The ILCO establishment of suspense records of the supply source request quantities and preparation of validation request **documentation** for transmission to the **SAOs**. The documents will be transmitted to the SAO under cover of the validation request transmittal letter contained in appendix A20. The transmittal letter should include provisions whereby the recipient will acknowledge receipt of the document and return annotations to arrive **at the ILCO** within 90 days after the cutoff for validation.

4. The **ILCO** will follow up on the appropriate SAO when no acknowledgment of the requests is received. The **followup**, in the format shown in appendix A21, and including a reproduction of the original request documents, will be airmailed 65 **days from** the cutoff date of the validation requests.

S. ACCOMPLISHING MATERIEL OBLIGATION VALIDATION BY THE NAVY INTERNATIONAL LOGISTICS CONTROL OFFICE

1. The **NAVILCO** will match the items indicated as being on record at the supply source with its records of unfilled demands and effect a file reconciliation. The **NAVILCO** will prepare response documents (**DI AP**) using the format contained in appendix C26 for each **reconciliation** request transaction received from the **supply** source. The responses will be transmitted to the supply source having submitted the validation requests. The response will serve to advise the supply source as to whether the items should be canceled or requirements **still** exist and the items should be continued as materiel obligations. Responses to validation **requests will** be furnished supply sources by 15 March for the first **cycle** and 15 September for the second cycle.

2. The quantity **field** of the **DI AP** response document will indicate the quantity still required. **If** total cancellation is desired, the quantity field will be zero filled.

3. A **followup**, either in the **DI AT** or **AF** series, will be submitted for items outstanding on **NAVILCO records** for which no **DI AN** request document was received from the supply source.

T. NAVY INTERNATIONAL LOGISTICS CONTROL OFFICE INITIATION OF RECONCILIATION/VALIDATION WITH SECURITY ASSISTANCE ORGANIZATIONS

1. Annually, on 16 September, the **NAVILCO** will prepare reconciliation request documents in the **format** of appendix **C23** which represent unfilled requisitions with dates of 31 July or earlier.

2. The **NAVILCO** will enter the program originator code in rp 7 of **AN** reconciliation request documents transmitted to SAOS for **validation**. This code will enable the SAO to determine the specific section to which the requests are to be directed. **In these** instances, the codes shown in paragraph R.2. are applicable.

3. The validation request documents **and/or** listings **will** be airmailed to the appropriate SAO not later than 26 September. The documents **will** be transmitted to the SAO under cover of the validation request transmittal letter contained in appendix A20. The transmittal letter includes provisions whereby the recipient will acknowledge receipt of the document(s) and return annotations by 31 October.

4. The ILCO will follow up on the appropriate SAO when no acknowledgment of the reconciliation requests is received. The followup, **in the** format shown in appendix A21 and **including a** reproduction of the original request documents, **will be** airmailed on 10 October.

u. ACCOMPLISHMENT OF ACKNOWLEDGMENT OF LISTINGS/DOCUMENTS BY SECURITY ASSISTANCE ORGANIZATIONS

1. SAOS in receipt of validation request documents intended for other recipients will forward the documents by airmail to the intended recipients, when known; otherwise, the documents will be returned immediately to the submitting **ILCO**.

2. The SAOS will acknowledge receipt of the request documents by entering the receipt date in the prescribed block of the transmittal letter, with appropriate **signature of** the recipient, and returning **the** letter to the **ILCO** from which it was received. Such acknowledgment will be accomplished immediately upon receipt of the validation request documents.

V. VALIDATION OF REQUIREMENTS BY THE SECURITY ASSISTANCE ORGANIZATIONS

1. The SAOS receiving the validation request documents/listings will determine whether requirements for the items and quantities still exist. The SAOS will also determine whether requirements exist for items/quantities, having reached the age criteria and not included with the validation request transactions. Once the validation of requirements is completed, the SAOS will adjust their records to reflect the need of the country for the items/quantities.

2. SAOS will request status of any items which are outstanding, having met the age criteria and not included in the materiel obligation validation requests. When such status is required, the SAO will furnish the appropriate **ILCO** with a **followup** document utilizing **DI AF1**.

3. The SAO **will** annotate a copy of the listing on each **DI AN** document, as appropriate, to **indicate**:

a. The quantity of each item still required (if **DI AN** documents are used, entry will be made in data block 8), and

b. The quantity of the item received "to date," if any, (if **DI AN** documents are used, entry will be made in block U of the **remarks** block).

4. Airmail annotations to the appropriate **ILCO** to arrive no later than the date specified in the letter **of**, transmittal which is 35 days prior to the response due date contained in rp 75-77 **of** the request documents, when reconciliation requests are received from USA SAC and AFLC and 31 October from **NAVILCO**.

W. RESPONSE TO MATERIEL OBLIGATION VALIDATION REQUESTS BY THE ARMY AND **AIR RCE N RNA ON OG TICS** CONTROL OFFICES

1. Upon receipt of the responses from the SAOS, the **ILCO** will adjust its records to agree with country requirements indicated by the response documents. The **ILCO** will then prepare response documents (**DI AP**), using the appendix C26 format for each reconciliation request-transaction received from the supply source. The responses will be transmitted to the supply source having submitted the validation requests. The response will serve to advise the SUPPLY source as to whether the items should be canceled or requirements **still** exist and the items should be continued as materiel obligations. Responses to validation requests are required to be furnished the supply source by the reply due date contained in rp 75-77 of the validation request documents. The reply due date will be established as the 125th day following the cutoff date for validation. The cutoff date will be entered in rp 71-73 of the validation request documents.

2. The quantity field of the **DI AP** response document will indicate the quantity still required, **and** the advice code field will be left blank. **If** total cancellation is desired, the quantity field will be zero filled.

3. A followup, either in the **DI AT** or **AF** series, **will** be submitted for items outstanding on the **ILCO records**, indicated as required by the SAO, and for which no **DI AN** request document was received from the supply source.

X. **NAVY INTERNATIONAL LOGISTICS CONTROL OFFICE ACTION ON SECURITY ASSISTANCE ORGANIZATION** "RESPONSES"

1. Upon receipt of the responses from the SAOS, **NAVILCO** will adjust its records to agree with country requirements indicated by the response documents. Cancellation requests will be submitted to the supply source on those unshipped lines for which the **SAO** indicated a reduced quantity **requirement**. Action will be initiated to resolve **unreconciled lines** for which the **SAO** indicated a requirement.

NAVILCO will provide appropriate supply and shipment status to the SAOS.

2. **By 30 November, the cancellation** requests, prepared in the format contained in appendix C6 will be transmitted to the last known source processing the corresponding requisition.

3. NAVILCO will maintain a record of confirmed cancellations received in response to cancellation requests submitted as a result of reduced quantity requirements indicated by **SAOs**.

4. NAVILCO will prepare a report of **the number** of lines reconciled with the SAO, the number and value of SAO requested quantity reductions and the number and value of confirmations received as of 31 December. Two copies of the report will be submitted to the appropriate Service headquarters for review and submission to **OASD**.

Y. INTERNATIONAL LOGISTICS CONTROL OFFICE CANCELLATION OF MATERIEL OBLIGATIONS

1. The supply source **will cancel** materiel obligation items upon receipt of cancellation requests or indication of need for lesser quantities from the **ILCO**. (When there is no record of the **item**, at time of receipt of response documents, the response card **will** be matched with the requisition history file to determine the latest status of the item or action taken to accomplish cancellation action and provide the **ILCO** with supply or shipment status as appropriate.) In the event procurement, rebuild, or other expense has been incurred and must be billed to MAP for an individual item being canceled, the supplying **S/A will** take action under DoD 5105.38-M, part II, chapter H (reference (t)).

2. The supply source will furnish to the **ILCO**, for which validation requests were submitted, a supply status document containing Status Code BR for each item and/or quantity canceled as a result of validation actions. The **ILCO** should not consider any quantity canceled until confirming BR status is received.

3. The supply source will not automatically cancel items for which materiel obligations were established when no **DI** AP_response has been received relative to specific items/documents submitted **for validation**.

<u>CYCLE N O .</u>	<u>CUTOFF FOR SUPPLY SOURCES TO PREPARE AND FORWARD VALIDATION REQUESTS</u>	<u>MAXIMUM ENDING DATE BY WHICH REQUISITIONER RESPONSES ARE DUE BACK TO SUPPLY SOURCE</u>
1	20 JAN	5 MAR
2	20 APR	5 JUN
3	20 JUL	5 SEP
4	20 OCT	5 DEC

Figure 7-1. Cyclic Schedule for MOV (Excludes Support of MAP Grant Aid.)

<u>CYCLE N O .</u>	<u>CUTOFF FOR SUPPLY SOURCES TO PREPARE AND FORWARD VALIDATION REQUESTS</u>	<u>MAXIMUM ENDING DATE BY WHICH REQUISITIONER RESPONSES ARE DUE BACK TO SUPPLY SOURCE</u>
1	31 JAN	31 MAY
2	31 JUL	30 NOV

Figure 7-2. Cyclic Schedule for **MOV** in Support of MAP Grant Aid.